COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CASE NO. 96-213

ORDER

This matter arising upon petition of BellSouth Telecommunications, Inc. ("BellSouth"), filed May 17, 1996, pursuant to 807 KAR 5:001, Section 7, for confidential protection of a cost study filed in support of its proposed Caller ID - Deluxe Get Acquainted Offer on the grounds that disclosure of the information is likely to cause BellSouth competitive injury, and it appearing to this Commission as follows:

BellSouth is planning a promotion for its Caller ID service. BellSouth maintains that the revenues associated with this promotion, cover the cost of the promotion, and in support have filed a cost study which it seeks to protect as confidential.

The information sought to be protected is not known outside of BellSouth and is not disseminated within BellSouth except to those employees who have a legitimate business need to know and act upon the information. BellSouth seeks to preserve and protect the confidentiality of the information through all appropriate means, including the maintenance of appropriate security at its offices.

KRS 61.872(1) requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). That subsection of the statute exempts several categories of information. One category exempted in paragraph (c)1 of that subsection is commercial information confidentially disclosed to the Commission which if made public would permit an unfair commercial advantage to competitors of the party from whom the information was obtained. To qualify for the exemption, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

BellSouth faces competition from other telecommunications companies, such as AT&T, that are seeking to enter the local exchange market. Disclosure of the cost studies, which reflect BellSouth's cost to provide Caller ID - Deluxe Services, would enable such competitors to determine the price or rate below which BellSouth could not provide the service and this information can be used by BellSouth's competitors in formulating business strategies for entering into the market. Therefore, disclosure of the information is likely to cause BellSouth competitive injury and the information should be protected as confidential.

This Commission being otherwise sufficiently advised,

IT IS ORDERED that the cost information filed in support of BellSouth's proposed Caller ID - Deluxe Get Acquainted Offer, which BellSouth has petitioned to be withheld

from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 14th day of June, 1996.

PUBLIC SERVICE COMMISSION

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Vice Chairman

Commissioner

ATTEST:

Executive Director